

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF INSPECTOR GENERAL**

STRATEGIC PLAN

REVISED: DECEMBER, 1997

MISSION STATEMENT	
To be an agent of positive change, striving for continuous improvement in FCC's management and program operations	
VISION	OIG staff, products and services are respected and sought after by the Agency and other customers.
VALUES	<p>Products and services are competent, objective, timely and relevant</p> <p>A customer focus which is responsive to the needs of decision makers.</p> <p>A positive working environment within OIG which encourages us to be innovative and reach our potential through teamwork and open, candid communication.</p>

ENVIRONMENTAL ASSUMPTIONS

No significant change in the nature or volume of audits and investigations.

Contractors will provide audit assistance to the OIG due to downsizing of audit staff and high volume of work most notably in auctions and EDP areas.

Management acceptance of, and cooperation with, OIG will continue to improve.

Corrective action by management in response to OIG recommendations will continue to be more effective.

PERFORMANCE OBJECTIVES

Audit and evaluate the Agency's programs and operations to promote economy, efficiency and effectiveness.

- * Deliver quality audit products and services that are useful to the Chairman, Commissioners, Bureaus and Offices, Congress and the President.
- * Provide technical advice and assistance to Agency officials in developing sound management information and financial reporting systems and in streamlining programs and organizations.

- * Continuous improvement of OIG staff, products and internal administration.

Investigate observed, alleged or suspected wrongdoing to prevent and detect fraud, waste, abuse and mismanagement in Agency programs and operations.

- * Administrative and criminal violations relating to FCC programs and personnel are effectively investigated and reported.
- * FCC employees and managers recognize their responsibility to immediately report observed or suspected wrongdoing to the IG.
- * Agency officials and Congress are kept fully and currently informed of problems identified in the conduct of investigative activities.

Review and make recommendations regarding existing and proposed legislation and regulations relating to Agency programs and operations and the Inspectors General community.

- * Maintain an effective program for reviewing and commenting on proposed and existing legislation and regulations affecting the Agency and the Inspectors General community.

Work with our Agency head and the Congress to improve program management; and work with the Inspectors General community and other related organizations to address government wide issues.

- * Agency personnel understand and accept OIG's role within FCC and the community at large.
- * OIG staff provide leadership to organizations directly contributing to the Inspectors General community.
- * OIG staff contributes to special projects for improving the Agency, the OIG community and the government.

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF INSPECTOR GENERAL STRATEGIC PLAN

I. Introduction and Background.

To enhance the effectiveness of the Office of Inspector General (OIG) at the Federal Communications Commission (FCC), and to ensure effective audit coverage of the Commission's programs and operations, this Office has developed the following strategic plan. In this plan, the OIG has attempted to assess and describe the risks and problems facing the FCC in fulfilling its mission, and to identify and select the audit strategies and approaches for addressing and helping to resolve those risks and problems.

The Chairman has encouraged Bureaus and Offices to engage in long range planning. In addition, the General Accounting Office (GAO), in its 1994 report on Inspectors General at Designated Federal Entities, recommended, inter alia, that those Inspectors General develop strategic plans for a five year period and update them at least every three years. This plan responds to that recommendation and will serve as the basis for activities of the FCC Office of Inspector General (OIG) for Fiscal Years 1998, 1999, 2000, 2001, 2002 and 2003.

The content of this plan is based upon OIG staff expertise; input from FCC managers; prior audit/survey/inspection history; GAO audits; and information from complaints and investigations. The listing and priorities in this plan will contribute to improvements in the ongoing development of the OIG audit universe. This plan will also be the basis for future OIG annual audit plans. Therefore, this strategic plan will assist the OIG to better address the audit requirements of its customers.

As a further means of addressing the audit requirements of its customers, the OIG will continue the practice of placing an annual audit "call" to all Bureaus and Offices. Management officials will therefore continue to be given the opportunity to provide input into the OIG annual audit plan formulation. Managers will be encouraged to identify programs or functions that could benefit from independent evaluation. The OIG staff will discuss requests with the originating office to obtain any additional information required, and will inform the originating office if and when audit work will be undertaken.

II. Identification of FCC Programs and Operations.

The following FCC programs and operations have been identified, based upon their nature and complexity, for review by the FCC Office of Inspector General. The objective of this review will be to determine whether they are vulnerable to waste, fraud, abuse, and mismanagement; whether they are efficient, effective, and economical; and whether programmatic and operational goals and objectives are being achieved.

A. First Priority - Programs having a high profile and/or significant economic impact.

1. Financial and Cost Accounting

As a result of systemic financial accounting and reporting shortcomings experienced by the FCC as a client of the National Finance Center (NFC), the FCC converted in FY 1996 to the Federal Financial System (FFS). The OIG was involved in the development and implementation of this new system and will continue to assist the FCC in meeting its financial accounting and reporting goals and requirements.

2. Spectrum Auction

This legislative mandate required extraordinary efforts by the Commission, which prior to FY 1994 had no background or history relating to auctions. Due to the complexity and high visibility of auction proceedings, the spectrum auction presents unique challenges to the FCC in ensuring the efficiency and integrity of auction processes. To date successful licensees have bid that approximately 23 billion dollars. The OIG will continue to be actively involved in this ongoing program. The focus of our work will encompass all aspects of the program but will provide special focus on information technology security and the collection process.

3. Fees

The Commission is authorized by law to assess and collect processing and regulatory fees. Since fee programs involve large dollar amounts and directly affect millions of licensees, their efficiency and effectiveness will be the focus of OIG review. As the Commission moves to implement the universal collection system and address Year 2000 requirements, the importance of independent and skilled input of the OIG will provide value to the Commission.

4. Cable Services Bureau

This Bureau administers a controversial and highly visible program which directly affects a large portion of the American public. OIG review will assist management to evaluate whether the FCC is meeting program goals and serving the public interest.

5. Customer Service Standards.

Customer service standards have been developed for major organizations within the FCC in response to Executive Order 12862 of September 11, 1993. OIG review of this process will contribute to the Commission's fulfilling the mandate of the Executive Order.

6. Required Audits

Certain legislation requires the OIG to perform annual audits and provide guidance to management officials. One example is the Federal Managers' Financial Integrity Act requirement that the OIG advise management with respect to internal controls and the integrity of financial systems. The OIG will also address such requirements as those contained in the Government Performance and Results Act (GPRA), the Clinger-Cohen Act (information technology) and the Year 2000 conversion.

B. Second Priority - Programs having a substantial impact on the agency and/or its customers.

1. Automated Data Processing (ADP) Management

As the FCC upgrades its ADP capabilities, its operations will become increasingly more reliant on automated information systems and further integrated with external users of FCC data and services. This will increase the FCC's vulnerability to equipment failure and unauthorized access. The Commission also devotes a large part of its budget to the procurement, maintenance, and operation of computer hardware and software.

2. Application Processing

The processing of a large number and variety of applications is integral to the Commission's regulatory mission. The application processing program provides an opportunity for Commission staff to carry out the principles of the National Performance Review, by providing service to the public that matches or exceeds the best service available in the private sector. Application processing will be greatly affected by future automation initiatives, and audit activity must also evolve from merely reviewing applications to analyzing the timeliness, accuracy, and integrity of automated networks for inputting, processing and storing this data.

3. Enforcement Activities

Also integral to the Commission's regulatory mission is the enforcement of its rules and regulations. Enforcement can be a matter of intense public concern and serves as a barometer of agency effectiveness and customer satisfaction. The OIG will assess the enforcement mechanisms in FCC Bureaus and Offices to evaluate whether the goals and objectives of the agency are being adequately addressed.

C. Third Priority - Programs which have an impact on FCC operational effectiveness.

1. Human Resource Management

The operational effectiveness of the Commission is greatly affected by the operations of Human Resource Management (HRM). Employee morale, timeliness of personnel actions, and employee evaluations all play a major role in the productivity of the FCC. The FCC expends approximately 75% of allocated funds for the salaries and expenses of its staff. HRM coordinates and oversees salaries, awards, promotion actions, life and health insurance, and other programs such as Workers Compensation. HRM also maintains an interface with the National Finance Center, Department of Agriculture (which continues to be our provider for payroll and personnel services) and its complex automated data network.

2. Compliance and Information Bureau (CIB) Field Structure

The majority of the American public's interaction with the FCC takes place with CIB. The Office of the Inspector General will continue to perform audits and inspections in this program area to: (1) assist management in meeting the needs of FCC customers; (2) provide independent feedback to headquarters on field operations; (3) identify best practices; and, (4) report on issues of concern to field managers and personnel.

3. Management Status of Major Programs

Effectiveness of operation also includes monitoring the efficiency of the management of major Commission programs, including program outputs and backlogs. Audit activity will include a review of management's planning process and performance measurement systems to enhance the quality and usefulness of major programs. Programs should have good systems to collect and use financial and program information to gauge operational success and accountability. Performance measures should show the extent to which a program's mission, goals and objectives have been achieved.

4. Budget Formulation and Execution

In this continued period of austerity in the Federal Government, the proper and effective utilization of appropriated funds becomes increasingly more important.

D. Fourth Priority - FCC-wide issues.

1. Organization and Interaction of Bureaus and Offices

The Commission's mandated duties continue to increase exponentially as both telecommunication legislation and technology grow. In order to meet this growing

demand with very limited resources, the overall organization of the Commission will be reviewed to evaluate the effectiveness of the recent reorganization in contributing to the success of the Commission's mission.

2. Operation of the Commission

The Office of General Counsel has recommended changes to the process of voting on and publishing the results of Commission actions at open meetings. This was also the subject of a GAO report entitled "FCC Procedures Delay the Release of Decision Documents" (September 28, 1994). The effectiveness of these changes, as well as the process of circulating agenda items will be evaluated.

3. Ethics

Government ethics regulations require training programs and revised reporting of financial interests. At the FCC, the ethics program is administered by the General Counsel as the Designated Agency Ethics Official. The Office of General Counsel also provides guidance to employees on ethics issues. Ethics issues arise at the FCC in a variety of contexts given the constant interaction between the Commission and the vast communications industry we regulate, and the great demand in the private sector for the unique skills of our employees.

4. Procurement

The FCC needs to evaluate both its contracts and its contracting procedures to ensure that they meet the requirements of Federal procurement regulations as well as the needs of FCC customers and the Commission's Bureaus and Offices. Based upon issues identified by this office, the OIG will work with management to develop a sound systems development methodology. Such a methodology will serve to better address the requirements of the Commission in an organized and coherent manner. It will also clearly delineate the FCC requirements to contractors and serve as a means of evaluating contractor performance.

5. Gifts and Bequests

The FCC has been given expanded authority to accept gifts and bequests from individuals and organizations. In addition, the FCC may accept travel gifts, under GSA regulations, for employees to attend meetings and conferences. Review of these programs will assist in determining whether appropriate laws and regulations are being applied.

III. Audit Strategies and approaches for addressing and helping to resolve risks and problems.

A. First Priority

1. Financial and Cost Accounting.

- The integrity of FFS data will be the highest priority in this area.
- Specific accounts and line items will be examined.
- Subsidiary ledgers and documents to support account entries or electronic transactions will be audited.
- Cost accounting methodology will be audited.
- Service provided by contractor and contractual relationship will be analyzed.
- Internal controls will be evaluated and tested.
- The potential for fraud and mishandling funds will be assessed.
- Compliance with laws and regulations.

2. Spectrum Auction.

The auctions will continue to be audited to ensure that:

- auctions are properly held and administered;
- information is timely, accurate and secure;
- auction collection data is accurately entered, tracked, reported and maintained by the FCC; and,
- auction receipts are properly safeguarded and deposited.

OIG will review the auction process to determine if all data and financial reports are formulated accurately and in a timely manner, and will seek to assess user satisfaction. Internal controls in all aspects of auction proceedings will be examined.

3. Fees.

- Fee collection, processing and reporting systems will be audited to include electronic filing and

operations at the Mellon Bank.

- ADP systems and reports will be evaluated and tested for timeliness, accuracy and completeness.
- Collection methodologies will be audited for effectiveness and efficiency.
- Licensing validation will be tested.
- Internal controls will be evaluated and tested.
- The potential for fraud and mishandling funds will be assessed.

4. Cable Services Bureau.

OIG review will seek to determine if:

- Organizational function is properly established (flowchart, reporting responsibilities, PD's, budget, etc.),
- Legal requirements are being addressed, and
- User satisfaction is being considered in operations.

5. Customer Service Standards.

- Methods of setting standards will be reviewed.
- Methods/systems used to monitor standards will be evaluated.
- Customer satisfaction with existing services analyzed.

B. Second Priority

1. Automated Data Processing (ADP) Management.

ADP area will be broken down into specific audit areas such as:

- Procurement
- Physical Controls
- Application Controls
- Utilization
- Repair/maintenance.

Sensitive systems and data will be identified, and related controls examined and tested. Internal

controls will be evaluated and tested. Specific audit efforts will be devoted to Internet security and security over remote access. As the Commission initiates pilot telecommuting programs, the security of data links to the Commission becomes a higher priority item.

2. Application Processing.

Audits and inspections will be designed to review:

- the timeliness and accuracy of individual processes;
- the electronic filing initiative;
- user satisfaction;
- license to fee reconciliation; and,
- internal controls.

3. Enforcement Activities.

- Organizational structure, manuals, supervision will be reviewed.
- Mission objectives/goals tied to performance benchmarks and measures and requirements contained in Communications Act will be analyzed.
- User satisfaction will be evaluated.
- Funding and staffing will be analyzed.
- Seizure of assets and fine assessment program will be reviewed.
- Forfeiture standards will be reviewed.

C. Third Priority

1. Human Resource Management.

Audits and inspections will encompass reviews of selected personnel functions and applications to include:

- Position classification
- Staffing and recruitment
- Position descriptions and standards
- Personnel actions (evaluations, promotions, awards etc.)
- Disciplinary actions

- Validation of employment (cross-referenced to payroll functions).
- Various facets of SES program.
- Resource deployment and utilization.
- Training of staff.
- Morale of FCC staff.
- Internal controls over T&A input

2. Compliance and Information Bureau Field Structure

A field audit/inspection was first initiated at the end of FY 1994. The objective of the OIG inspection will be to evaluate the effectiveness and efficiency by which field offices operate and the adequacy of internal controls at these remote locations. Examples of primary aspects of the field inspection function follows:

- Clarity of mission and functions.
- Performance measurements - Program results - Is there a methodology for comparing results of FCC FO's.
- Supervision and management practices.
- Operational effectiveness and efficiency.
- Case workload and resource deployment.
- Successful initiatives unique to office.
- Performance impediments (i.e. lack of resources).
- External user satisfaction.
- Satisfaction of other FCC offices who require the services of field locations.
- Security of equipment, facility, seized property etc.
- Training.
- Role and duties of Regional Director.

3. Management Status of Major Programs.

Audit activity will encompass an evaluation of the internal information system by which management officials are kept abreast of the status of major programs and initiatives. Auditors will select one or more major programs and will evaluate the effectiveness and reliability of FCC performance measurement criteria and information systems to assess whether Commission goals and objectives are being accomplished. Auditors will also determine if planning by program managers effectively promotes innovation in the development of more efficient methods of providing service to the communications industry and to the public.

4. Budget Formulation and Execution.

Agency budget formulation and execution will be audited as a means of ensuring that the FCC is operating in compliance with Congressional and OMB requirements in this area. Specific objectives will be to ensure:

- The adequacy of internal planning and formulation of mission requirements and related

- budgeting process to achieve these requirements.
- Timely and accurate submission of budget documents to OMB and Congress for both current and out year requirements.
- The adequacy of internal mechanisms for allocating funds to Bureaus and Offices and for monitoring their controls and level of expenditures.
- Budget execution mechanisms are operating in a timely and accurate manner to provide management with useful budgetary information for making decisions.
- Controls are adequate to ensure that an Anti-Deficiency Act violation does not occur.
- All reprogramming of funds is within legal parameters.
- Internal controls are adequate to mitigate potential fraud.

D. Fourth Priority

1. Organization and Interaction of Bureaus and Offices.

Auditors will employ audit techniques to evaluate the interaction and coordination of FCC mission objectives and programs between organization components. The principal objective will be to evaluate the effectiveness of the recent reorganization. Specific attention will be dedicated to detecting:

- Potential overlapping of functions and organizational inefficiencies.
- Cumbersome and unnecessary bureaucratic operations.
- Conflicts which might exist between Bureaus and Offices and potential remedies.

2. Operation of the Commission.

Auditors will design and employ audit techniques to review the operation of the agenda item circulation system to determine whether the circulation system is functioning efficiently. The review will address the time required to process agenda items and whether improvements can be made in both the time required and the manner of addressing agenda items on circulation.

The current system whereby the Commission handles routine administrative matters such as appointments, evaluations and promotions will be examined to determine if the process is efficient or whether the process should be redesigned.

The effectiveness of recent changes in the process for publishing Commission actions at open meetings will be reviewed to determine if it has accomplished its stated objectives.

3. Ethics.

- Investigators and auditors will review the operation of the FCC ethics program to determine whether training goals are being met and the reporting of financial interests is timely and accurate.

- Auditors will scrutinize the FCC process for reviewing financial interest reports for possible conflicts of interest to determine whether the process is operating within Office of Government Ethics (OGE) parameters.

4. Procurement.

- Auditors will perform pre-award, post award and contract administration audits.
- Procurement practices will be evaluated to ensure compliance with Federal Acquisition Regulations (FAR).
- Specifications will be reviewed as to clarity of tasks required.
- Bureaus and Offices (Users) will be contacted in order to assess user satisfaction.

5. Gifts and Bequests

- Legislation will be reviewed.
- FCC Rules and regulations will be reviewed,
- Specific uses of this authority will be analyzed.
- The administration of travel gift authority will be examined to determine if appropriate controls are imposed and timely and accurate reporting is made.

III. OIG Resources

Current staffing and funding levels are adequate to carry the various projects contained in this plan over the next three to five years with contract audit support. However, expanded activities by the OIG in the organization and operation of the Commission will require additional program analysis staff. In addition, if the Chief Financial Officers Act (CFO) is amended to include agencies such as the FCC, more auditors may be required to conduct the audits that may be necessary to implement the CFO.

IV. Evaluating Audit Strategy Effectiveness.

Appendix A. FY 1997 Performance Measures

Appendix B. FY 1998 Annual Audit Plan

Appendix C. Mission and Function Statement

FY 1997 OIG PERFORMANCE MEASURES

AUDITS AND EVALUATIONS OF AGENCY PROGRAMS AND OPERATIONS

Objective: Audit and Evaluate the Commission's programs and operations to promote economy, efficiency and effectiveness.

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
1. Deliver quality audit products and services	<p>Audit reports</p> <p><i>Details at Attachment 1</i></p> <p>Audits are relevant. Audit coverage includes all mandated audits and the OIG attempts to address those suggested by the Chairman, Bureaus and Offices.</p> <p><i>Mandated audits were completed. All other audits were either self-initiated or requested by management.</i></p> <p>Risk is addressed. 100% of OIG audits are performed in highrisk/high dollar programs and activities and/or are tied to the Commission strategic planning goals.</p> <p><i>100% of all audits performed were in high risk programs and/or were tied to the Commission strategic plan.</i></p>	<p>FCC programs are more effective.</p> <p>Waste in Agency programs and operations is reduced.</p> <p><i>Through the mutual efforts of the IG and FCC management: 1) significant savings in procurements have been realized and the process of overseeing the performance of contractors has been strengthened; 2) the Commission has identified material deficiencies in the collection program and initiated activity to implement a new collection system rather than continuing to build out the existing system; 3) the internal controls and IT security have been enhanced in the spectrum auctions program as well as other automated systems within the FCC; and, 4) the Commission is vigorously acting to implement Year 2000 program safeguards and meet the demands of GPRA.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

AUDITS AND EVALUATIONS OF AGENCY PROGRAMS AND OPERATIONS

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME / IMPACT
1. Deliver quality audit products and services. (CONTINUED)	<p>Products are timely, i.e. average time to complete audits and issue draft reports will not exceed 6 months.</p> <p><i>All audits were completed within 6 months.</i></p> <p>Audits are constructive. Audit products contain recommendations to improve Commission operations and increase security over FCC proprietary data.</p> <p><i>100% of audits performed contain recommendations to either improve Commission operations or provide monetary savings.</i></p> <p>The Commission accepts at least 80% of OIG audit recommendations.</p> <p><i>100% of audit recommendations made during the period have been accepted.</i></p> <p>The Commission actually implements all corrective actions prescribed by management decisions.</p> <p><i>100% of corrective actions have been implemented.</i></p>	<p>The Commission's stature and reputation is elevated in the eyes of Congress, the Administration, FCC employees and the public.</p> <p><i>OIG Semiannual Report to Congress had no issues of significant disagreement with the Commission.</i></p> <p>FCC is more effective in carrying out its mission.</p> <p>The OIG is more effective in promoting economy, effectiveness and efficiency within the Commission.</p>

FY 1997 OIG PERFORMANCE MEASURES

AUDITS AND EVALUATIONS OF AGENCY PROGRAMS AND OPERATIONS

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
<p>2. Provide technical advice and assistance to Commission officials in developing sound management information and financial reporting systems and in streamlining programs and organizations.</p>	<p>The IG advises the Chairman concerning policy direction and administrative priorities.</p> <p><i>The IG maintains close liaison with the Chief of Staff and advises him of policy issues and administrative priorities in a timely manner.</i></p> <p>OIG performs analysis and provides technical advice to management concerning accounting, management systems and controls, and performance measures.</p> <p><i>Technical analysis and advice was provided through such Agency groups attended by OIG employees as follow:</i></p> <ol style="list-style-type: none"> <i>1. Collections Steering Committee</i> <i>2. Computer Suite Upgrade Workforce</i> <i>3. Electronic Filings Task Force</i> <i>4. Year 2000 Workgroup</i> <i>5. New Employee Orientation Workgroup</i> 	<p>OIG input and advice contributes to Commission decisions and actions which are more complete and valid at their inception.</p> <p>Increase in management requests for advice, audit work or technical assistance.</p> <p><i>OIG is a viable and responsible component of the FCC.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

AUDITS AND EVALUATIONS OF AGENCY PROGRAMS AND OPERATIONS

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
3. Continuous improvement of OIG staff, products and internal administration.	<p>Customer survey feedback program has been initiated to improve products and services..</p> <p><i>All audit products will now be evaluated by written customer survey results. Previous verbal customer survey feedback generally rates audit products acceptable quality or better and relevant to work of those audited.</i></p> <p>OIG training ensures the technical proficiency of staff.</p> <ol style="list-style-type: none"> <i>1. Audit Director's Roundtables (Brachfeld)</i> <i>2. Audit Directors PCIE/ECIE Conference (Brachfeld)</i> <i>3. PCIE/ECIE Training Seminars (Staff)</i> <i>4. GPRA Training (Shipp)</i> <i>5. Procurement/COTR Training (Pace)</i> <i>6. Computer Investigatory Training (Bennett)</i> <i>7. Ethics Training (Staff)</i> 	<p>Peer review reports provide an unqualified opinion that OIG audit work meets or exceeds quality audit standards prescribed by GAO and the PCIE/ECIE.</p> <p><i>Peer review during FY97 resulted in unqualified opinion.</i></p> <p>Customer survey feedback evidences increased satisfaction with audit practices.</p> <p><i>OIG customer survey concept has been supported by management and will be used to internally assess OIG operations.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

AUDITS AND EVALUATIONS OF AGENCY PROGRAMS AND OPERATIONS

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
3. Continuous improvement of OIG staff, products and internal administration. (CONTINUED)	<p>OIG implements administrative improvements identified through audits of other Commission programs and through staff involvement with the professional community.</p> <p><i>Examples of change as a result of audits - Increased training and monitoring of COTR's, determination to replace existing collection system with commercial-off-the shelf package, modifications to IT security through out FCC and most notably within WTB (specifically in the auctions area).</i></p>	<p>The Inspector General's opportunity to facilitate positive change within the Commission is enhanced by the quality and credibility of OIG products and advice.</p> <p><i>Increased effectiveness and integrity of Commission programs and operations.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

INVESTIGATIONS

Objective: Investigate observed, alleged or suspected wrongdoing to prevent and detect fraud, waste, abuse and mismanagement in Commission programs and operations.

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
1. Administrative and criminal violations relating to FCC programs and personnel are effectively investigated and reported.	<p>Investigative reports are timely and presented in a objective and factual manner. Memoranda are issued to management describing internal control weaknesses or program deficiencies found during the investigative process with suggestions to prevent and/or detect future wrongdoing.</p> <p><i>One major investigation was closed with the two subjects entering guilty pleas to felony counts for defrauding the FCC through false billings. This investigation was coordinated with the Assistant United States Attorney, D.C., and the FBI. Another investigation resulted in an FCC resigning from the Agency for improper use of the Internet during his tour of duty. A third investigation resulted in administrative action against FCC employees who directed a professional football gambling ring.</i></p>	<p>Administrative action, convictions or pleas are obtained for employees and/or contractors found guilty or wrongdoing.</p> <p>Management actions taken against employees serve as a deterrent for future wrongdoing.</p> <p>FCC internal policies, procedures and controls are strengthened to prevent and/or detect future wrongdoing.</p> <p><i>OIG investigative activity mitigates potential administrative and criminal violations.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

INVESTIGATIONS

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
2. FCC employees and managers recognize their responsibility to immediately report observed or suspected wrongdoing to the IG.	<p>Allegations of wrongdoing are received in a timely manner and are supported by specific information.</p> <p><i>The OIG has continued to receive investigative referrals from concerned and responsible FCC employees</i></p>	<p>Investigations are more successful because they are initiated in a more timely manner and have better information.</p> <p>FCC employees are more willing to report real or suspected wrongdoing because they trust the competence and fairness of OIG investigations.</p> <p><i>Management and employees have reported conditions of fraud, waste and abuse more rapidly and openly.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

INVESTIGATIONS

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
3. Agency officials and Congress are kept fully and currently informed of problems found in the process of and resulting from investigative activities.	<p>Summaries of investigations and the resulting administrative or judicial actions taken are incorporated into the Semiannual Report to Congress, along with any disagreements on the actions taken or failure of management to act in a timely and responsible fashion..</p> <p><i>Management is kept informed of problems and process flaws. Semiannual summaries consistently report information required by the IG Act.</i></p>	<p>The Chairman and Congress are better informed about OIG investigations, administrative and judicial consequences.</p> <p>Public confidence in the integrity of FCC programs and internal operations are heightened.</p>

FY 1997 OIG PERFORMANCE MEASURES

REVIEW OF LEGISLATION AND REGULATIONS

Objective: Review and make recommendations regarding existing and proposed legislation and regulations relating to Commission programs and operations and the Inspectors general community.

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
1. Maintain an effective program for reviewing and commenting on proposed and existing legislation and regulations effecting the Commission and the Inspectors general community.	<p>Processes are established and documented for identifying, logging and circulating (as appropriate) relevant documents.</p> <p><i>Legislation is tracked on a daily basis. Counsel is a member of CCIG.</i></p> <p>Constructive comments on relevant documents are submitted by the deadlines requested by the office, Agency or staff circulating.</p> <p><i>Comments are submitted by the deadline. Legislative updates are regularly prepared.</i></p> <p>Document review activity is summarized for inclusion in the Semiannual Report to Congress.</p> <p><i>A comprehensive document review is summarized and submitted for the IG's Semiannual Report.</i></p>	<p>OIG input is part of the decision making process in approving or amending legislation, regulations, circulars and other policy positions.</p> <p>Constructive criticism and creative alternatives offered in OIG comments improve the quality and usefulness of documents initiated by the Commission.</p> <p>FCC Chairman and Bureaus/Offices are informed about the status of new or pending legislation or regulations initiated externally.</p> <p><i>Discussion and inquiries concerning legislative developments and changes occur periodically between Agency and OIG staff.</i></p>

FY 1997 OIG PERFORMANCE MEASURES

OUTREACH PROGRAM

Objective: Work with our Commission head and the Congress to improve program management; and work with the Inspectors General community and other related organizations to address government wide issues.

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
1. Agency personnel understand and accept OIG's role within the FCC and the community at large.	<p>Develop and maintain educational brochures or pamphlets describing OIG roles and activities.</p> <p><i>Educational brochures are being developed for distribution.</i></p> <p>Facilitate feedback from Commission employees and refine products based on the feedback to OIG products and educational materials.</p> <p><i>When customer survey feedback on audits or discussions involving investigations or regulation/legislative comments indicate a response which is less than agreement, further discussion with the respondent is held. Clarification and refinement of survey tools, publications and processes are ongoing.</i></p> <p><i>Investigation reporting techniques are tailored to the specific situation.</i></p>	Commission employees' acceptance of and cooperation with OIG activities is improved through better understanding. OIG programs and products are improved through feedback from Commission employees.

FY 1997 OIG PERFORMANCE MEASURES

OUTREACH PROGRAM

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
2. OIG staff provide leadership to organizations directly contributing to the Inspectors General community.	<p>Time and resources are provided to OIG staff members as an incentive to contribute to professional organizations by serving on committees and holding offices.</p> <p><i>Professional Organizations - staff are active in meetings and sessions of PCIE/ECIE and other professional organizations. IG benefits from topics of discussion and current focus.</i></p>	<p>Projects and activities of adjunct organizations such as the AGA, IIA, PCIE/ECIE, CCIG, FLETC, and IGATI are improved by OIG staff contributions and participation.</p> <p>The Inspectors General community is more credible and effective.</p>

FY 1997 OIG PERFORMANCE MEASURES

OUTREACH PROGRAM

PERFORMANCE GOALS	OUTPUT/CRITERIA	OUTCOME/IMPACT
3. OIG staff contributes to special projects for improving the Commission, the OIG community and the Government.	<p>OIG staff will participate in projects that will contribute to achieving the vision of a better Commission and Government.</p> <p><i>Technical analysis and advice was provided through such Agency groups attended by OIG employees as follow:</i></p> <ol style="list-style-type: none"> <i>1. Collections Steering Committee</i> <i>2. Computer Suite Upgrade Workforce</i> <i>3. Electronic Filings Task Force</i> <i>4. Year 2000 Workgroup</i> <i>5. New Employee Orientation Workgroup</i> <i>6. Audit Director's Roundtables (Brachfeld)</i> <i>7. Audit Directors PCIE/ECIE Conference (Brachfeld)</i> <i>8. PCIE/ECIE Training Seminars (Staff)</i> 	<p>Management practices at the Commission are improved by OIG staff participation in FCC special projects.</p> <p>FCC programs and operations are more effective and efficient.</p>

ATTACHMENT 1

FY 1997 AUDIT REPORT RESULTS ANALYSIS

AUDIT NAME	AUDITS ARE RELEVANT	RISK ADDRESSED	TIMELY	AUDITS ARE CONSTRUCTIVE	ACCEP ____%
Network Remote Dial-In (96-7)	IG Initiated	Tied to Strategic Plan	6 months	3 Rec's.	100
Contract. Labor (Auctions) (96-8)	IG Initiated	Tied to Strategic Plan	1 month	Check to FCC \$195,417	100
Contract. Labor (Auctions) (96-10)	IG Initiated	Tied to Strategic Plan	1 month	Check to FCC \$89,550	100
Imprest Funds (96-4)	IG Initiated	Cash Managment	1 month	3 Rec's	100
ATV Advisory Committee (97-1)	Chairman	Congress. Legislation	1 month	Validated Account	100
Cellular Phones (96-5)	IG Initiated	Invest. Referral	5 month	2 Rec's Fraud ID	100
Contract Pricing (96-11)	Management	Strategic Plan	2 months	\$1,780,646	100

<u>AUDIT NAME</u>	<u>AUDITS ARE RELEVANT</u>	<u>RISK ADDRESSED</u>	<u>TIMELY</u>	<u>AUDITS ARE CONSTRUCTIVE</u>	<u>ACCEP %</u>
Prompt Payment (97-5)	IG Initiated	Strategic Plan	4 months	Followup	100
COTR's Program (97-7)	IG/Mgmt	Strategic Plan	8 months	4 Rec's	100
Contract Incurred Cost (97-18)	IG Initiated	Invest. Referral	(*)	\$265,180	100
Internet Penetration (97-2)	IG Initiated	Strategic Plan	6 months	Task Force Corr. Measures	100
ITS Inc. (96-11)	Management	Invest. Referral	1 month	\$20,000	100

(*) component of ongoing criminal/administrative investigation.